

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICANT: Hall et al

SERIAL NO.: 10/696274

FILED: 10/29/2003

ART UNIT: 3625

EXAMINER: Allen, William

TITLE:     Interface for Conducting the Closing of a Real  
          Estate Sale Over a Computerized Network

ATTORNEY DOCKET NO.: ICLS 1001-3

Assistant Commissioner For Patents  
Washington, D.C. 20231

Amendment

Sir:

This paper is in response to the Office Action mailed 05/30/2008 in regard to the above-identified patent application. Claims 17-32 and Claims 34-36 are pending in this case. A separate sheet showing the status of all claims, in accordance with C.F.R. 121 is enclosed.

Remarks

Claim 28 was rejected under 35 U.S.C. 112, second paragraph as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicants regard as the invention. Claims 17, 19-23, 26-27, 29-32, and 34-36 were rejected under 35 U.S.C. 103(a) as being unpatentable over Broerman (US20040054606). Claim 18 was rejected under 35 U.S.C. 103(a) as being unpatentable over Broerman in view of Davis

(US6219423). Claim 28 was rejected under 35 U.S.C. 103(a) as being unpatentable over Broerman in view of Erlanger (US20030055778).

#### Telephone Interview Summary

Telephone interview summary in accordance with MPEP 713.04:

The substance of the 20 May 2008 telephone interview with the Examiner concerned the structure of the present claim language; and the Examiner's earlier rejections citing that the claim language contained non-functional descriptive material and therefore carried no patentable weight according to the Examiner. The applicants' attorney respectfully pointed out, and still maintains, the earlier argument with respect to the Examiner's non-function descriptive material position. While still maintaining the earlier argument, the applicants' attorney discussed potential claim amendments to overcome the Examiner's rejections. End of Interview Summary.

In light of the telephone interview claim 17 has been amended herein to conform to the substance of the telephone interview.

Addressing the 112 rejection next, the Examiner states that Claim 28 recites the limitations, "the at least one financial identifier" and "at least one county registrar identifier", and that there is insufficient antecedent bases for these limitations in the claims.

First it should be noted that Claim 28 does not recite "at least one county registrar identifier". The Applicants believe

that this rejection was to Claim 33 which was cancelled in a previous Office Action response.

Also, noted in the earlier Office Action response, the Applicants respectfully pointed out that claim 28 depends from claim 27 which in turn depends from claim 26 which contains the antecedent basis for "the at least one financial identifier". Therefore Claim 28 is patentable and should be allowed.

1<sup>st</sup> 103(a) rejection

Claims 17, 19-23, 26-27, 29-32, and 34-36 were rejected under 35 U.S.C. 103(a) as being unpatentable over Broerman (US20040054606). Claim 17 and its respective dependent claims, claim an invention for electronically initiating, negotiating, and legally closing a real estate transaction; up to and including transferring ownership of the real estate. In other words, the claimed invention facilitates negotiating a real estate contract, facilitates removing contract contingencies during a due diligence period, and facilitates settlement and deed recordation. It will be appreciated that Broerman, on the other hand, falls fall short of actually closing a real estate transaction. Indeed, Broerman doesn't even mention the words "deed", or "recording" or the phrase "due diligence". Nowhere does Broerman disclose or suggest actually closing a real estate transaction and transferring ownership of the real estate. Indeed, Broerman is limited to finalizing the purchase and sales contract. (See col. 6, lines 53-55) However, it is well settled in the law of real property that ownership of real estate is conveyed through a deed instrument and not by merely

finalizing a purchase and sales agreement as described by Broerman.

It will be further appreciated that the present invention also claims a feature for recording the deed with the proper governmental office. It will also be understood that recording the real estate deed as described in the present invention provides certain legal protections and obligations beyond the scope of the purchase and sales agreement.

Claim 17 and its dependent claims, each recite a closing system for closing a real estate transaction between a plurality of parties and transferring ownership through a real estate deed. The closing system includes a closing server having a closing module. The closing module includes selectable standard and custom closing conditions. The closing server also includes a title insurance module having a plurality of title insurance company identifying information and a plurality of title insurance policies associated with the plurality of title insurance identifying information. The plurality of title insurance policies each include a plurality of terms.

Claims 20-23 recite selectable standard and custom closing conditions. Claim 22 specifically recites the features wherein each of the plurality of selectable closing components include at least one time-expired-option closing component; and at least one identity of the plurality of parties authorized to clear the closing component before the at least one time-expired-option closing component expires. However, Broerman does not disclose or suggest closing components including a

time expired option and the identity of an authorized party to clear the closing component before the time expires. Indeed, the Examiner has pointed out that Broerman does not teach selectable options. Nowhere does Broerman teach or suggest features as recited in claims 20-23 wherein each of the plurality of selectable closing components include at least one time-expired-option closing component; and the identity of the party authorized to clear the closing component before the at least one time-expired-option closing component expires. In other words, each closing component may be associated with an automatic count-down timer where, once the time has expired, and the closing component has not been met or cleared by an authorized party, the transaction may be voided. This is very different from Broerman where Broerman merely teaches that a user may be allowed to approve or disapprove closing conditions by supervising changes to "mutable terms". Nowhere does Broerman disclose or suggest closing conditions which may be associated with an effective automatic expiration. It will be appreciated that Broerman merely teaches closing transactions deadlines once a seller and buyer have come to agreement on the contractual terms (FIGS 9 & 10). Indeed, in Broerman, a real estate transaction could be held up indefinitely in the contract phase while a closing condition is pending since Broerman does not teach or suggest closing conditions with automatic time expired options.

#### 2nd 103(a) rejection

Dependent Claim 18 was rejected under 35 U.S.C. 103(a) as being unpatentable over Broerman in view of Davis (US6219423). While the Applicants concede that Davis may suggest signature

encryption, it (Davis) does nothing to alter Broerman's teachings to disclose or suggest the features of the present invention. As pointed out above, and repeated here, it will be appreciated that Broerman merely teaches closing transaction deadlines once a seller and buyer have come to agreement on the contractual terms (FIGS 9 & 10). For example, in Broerman, a real estate transaction could be held up indefinitely in the contract phase while a closing condition is pending since Broerman does not teach or suggest closing conditions with automatic time expired options. Therefore claim 18 is patentable and should be allowed.

### 3<sup>rd</sup> 103(a) rejection

Claim 28 was rejected under 35 U.S.C. 103(a) as being unpatentable over Broerman in view of Erlanger (US20030055778). As noted earlier, Claim 17 and its respective dependent claims, claim an invention for electronically initiating, negotiating, and legally closing a real estate transaction; up to and including transferring ownership of the real estate. In other words, the claimed invention facilitates negotiating a real estate contract, facilitates removing contract contingencies during a due diligence period, and facilitates settlement and deed registration. Dependent claim 28 further recites the features of an internet connection with at least one financial lender associated with the at least one financial lender identifier in order to facilitate the closing of a real estate transaction. Broerman as noted earlier merely teaches closing transaction deadlines once a seller and buyer have come to agreement on the contractual terms (FIGS 9 & 10). Erlanger does nothing to alter Broerman's teachings to

disclose or suggest the features of the present invention. Nowhere does Erlanger disclose or suggest an internet connection with financial lenders in order to close a real estate transaction. Indeed, Erlanger clearly states that it "... receives data from each lender, loan seeker, application processor, loan processor, and loan pool trader, and endeavors to match lenders with appropriate loan seekers[]" (see 0066). Nowhere does Erlanger disclose or suggest a closing system with an internet connection with at least one financial lender associated with at least one financial lender identifier. Therefore Claim 28 is patentable and should be allowed.

In present Office Action the Examiner does not address claim 24 or claim 25. The applicants respectfully request the Examiner clarify the status of these claims.

In light of the above and the aforementioned interview the relevant claims have been amended herein in accordance with the Examiner's suggestions to overcome the Examiner's rejections. Therefore, claims 17-32, and claims 34-36 are patentable and should be allowed.

It is respectfully submitted that all of the claims now present in the application are clearly novel and patentable over the prior art of record. Accordingly, favorable reconsideration and allowance is respectfully requested. Should any unresolved issue remain, the Examiner is invited to call Applicant's Attorney at the telephone number indicated below.

Filed concurrently within PAIR is the fee for a petition for a one month extension of time.

Respectfully submitted,

/Kevin P. Correll/

09/14/08

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Kevin P. Correll (Reg. No. 46,641)

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Date

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